

Effective 5/5/2021

31A-35-404 Minimum financial requirements for bail bond agency license.

- (1)
 - (a) A bail bond agency that pledges the assets of a letter of credit from a Utah depository institution in connection with a judicial proceeding shall maintain an irrevocable letter of credit with a minimum face value of \$300,000 assigned to the state from a Utah depository institution.
 - (b) Notwithstanding Subsection (1)(a), a bail bond agency described in Subsection (1)(a) that is licensed under this chapter on or before December 31, 1999, shall maintain an irrevocable letter of credit with a minimum face value of \$250,000 assigned to the state from a Utah depository institution.
- (2)
 - (a) A bail bond agency that pledges personal or real property, or both, as security for a bail bond in connection with a judicial proceeding shall maintain a verified financial statement for the current year:
 - (i) reviewed by a certified public accountant; and
 - (ii) showing a minimum net worth of:
 - (A) \$300,000, at least \$100,000 of which is in liquid assets; or
 - (B) if the bail bond agency is licensed under this chapter on or before December 31, 1999, \$250,000, at least \$50,000 of which is in liquid assets.
 - (b) For purposes of this Subsection (2), only real or personal property located in Utah may be included in the net worth of the bail bond agency.
- (3) A bail bond agency shall maintain a qualifying power of attorney issued by a surety insurer if:
 - (a) the bail bond agency is the agent of the surety insurer; and
 - (b) the surety insurer:
 - (i) sells bail bonds;
 - (ii) is in good standing in its state of domicile; and
 - (iii) is granted a certificate to write bail bonds in Utah.
- (4) The commissioner may revoke the license of a bail bond agency that fails to maintain the minimum financial requirements required under this section.
- (5) The commissioner may set by rule the limits on the aggregate amounts of bail bonds issued by a bail bond agency.

Amended by Chapter 252, 2021 General Session